

July 10, 2013

Mr. Steve Olea Director, Utilities Division Arizona Corporation Commission 1200 W. Washington Phoenix, Arizona 85007

Re:

Global Water Rate Cases

Docket Nos.: W-01212A-12-0309

SW-20445A-12-0310 W-03720A-12-0311 W-02450A-12-0312 W-02451A-12-0313 W-20446A-12-0314 W-01732A-12-0315

Dear Mr. Olea:

We have received and reviewed the Direct Testimony of Staff, RUCO and other parties filed on July 8, 2013. We believe that the parties should explore possible settlement of the issues in this case. Accordingly, we request that Staff agree to settlement discussions in this case. We suggest that the settlement discussions begin at the Commission's office immediately following the public comment hearing scheduled in this case on July 15, 2013 at 10:00 a.m., and that the discussions convene on July 16, 2013.

We look forward to the opportunity to explore these issues with you and the other parties.

Respectfully yours,

Ron Fleming

President, Regulated Utilities

RF/kjf

cc:

ACC Docket Control All Parties of Record